MIAMI-DADE COUNTY, FLORIDA



HOUSING FINANCE AUTHORITY

25 WEST FLAGLER STREET SUITE 950 MIAMI, FLORIDA 33130-1720 (305) 372-7990 FAX (305) 371-9152

HOUSING FINANCE AUTHORITY REGULAR MEETING

DATE: Monday, May 19, 2003

2:00 P.M

PLACE: 25 West Flagler Street

Suite 950

Miami, Florida 33130

AGENDA

I. Roll Call

II. Approval of Minutes

Monday, April 28, 2003

III. Requests

- A) Sales Assumption and Partial Release of Bermuda Villas
- **B)** Flagler First Development
- C) ADRAC
- **D)** Lease Purchase Programs
- E) Home Savers Program conversion to Anti-Predatory Lending Program
- F) Federal Home Loan Bank Online Banking
- IV. Updates
 - A) 2002 Single Family Program
 - B) Foundation/Community Outreach
- V. Other Business

Multifamily Bus Tour

`Housing Finance Authority Regular Meeting



DATE: April 28, 2003

PLACE: 25 West Flagler Street

Suite 950

Miami, Florida 33130-1720

TIME: 2:00 P.M.

ATTENDANCE: Hector Brito, Vice Chairman Patrick Cure

Maggie Gonzalez Don Horn, Chairman Chip Iglesias Rene Sanchez Rev Sanchez V.T. Williams

Rey Sanchez Katrina Wright

STAFF: Patricia Braynon, Director

Mary Aguiar, Administrative Officer III Manuel Alonso-Poch, Co-Bond Counsel Sheere Benjamin, Administrative Officer Giraldo Canales, Compliance Specialist Marianne Edmonds, Co-Financial Advisor

Larry Flood, Co-Financial Advisor

Ayin Maryoung, Senior Executive Secretary

Jose Pons, Administrative Assistant

Amelia Stringer-Gowdy, Special Projects Administrator

Adela Garcia, Trust Account Manager

Howard Whitaker, Assistant County Attorney Derrick Woodson, Administrative Officer III

APPEARANCES: Eric Accime, Cornerstone Group,

Todd Browning, Christmas in April

Jerry Flick, Flick Homes

Barry Haiman, Affordable Housing Solutions

Daniel Thompson, Fannie Mae

Norbert Simmons, First Commonwealth Security Corporation

Pat Denihan, Denihan and Associates Leader Mortgage

Opal Jones, Affordable Housing Foundation

AGENDA

The meeting was called to order with a quorum at 2:12 p.m.

Mr. Horn requested Ms. Braynon to call the roll to begin the meeting.

I. Roll Call

Ms. Braynon called the roll. She indicated that Hector Brito was in route and that Cordella Ingraham would not be attending the meeting.

II. Approval of Minutes

A MOTION was made by Mr. Williams to approve the minutes from the March 24, 2003 meeting. The motion was seconded by Rene Sanchez and passed unanimously.

III. Requests

A. Alhambra Cove Apartments (Credit Underwriters Report)

Ms. Edmonds stated that this project underwrites to the Authority's criteria and it is recommended that the Board proceed through with the financing. Mr. Horn stated a motion was needed to approve the recommendation. Ms. Gonzalez stated that she needed to abstain from voting because she does business with the Cornerstone Group but not on these projects.

A MOTION was made by Mr. Iglesias to accept the recommendation from Alhambra Cove Apartments (Credit Underwriters Report). The motion was seconded by Ms. Wright and passed unanimously, with the exception of Maggie Gonzalez

B. Villa Capri Apartments (Credit Underwriters Report)

Ms. Edmonds stated that the Villa Capri Development is looking for private activity bond allocation from the 2003 cycle so it has not been reviewed before. There are four outstanding issues that Ms. Edmonds highlighted to the Board. Ms. Edmonds stated that since this deal is not ready to proceed as a result of those outstanding issues, it was recommended that the Board take no action at this time.

Eric Accime from Cornerstone Group stated that he was representing Lenny Wolfe who normally attends the Board meetings. Ms. Edmonds suggested that Mr. Wolfe meet with the credit underwriter and try to respond to those outstanding issues by the next Board meeting. Mr. Accime was agreeable to that option.

C. 22 Ave. 183 St. & 187 St. Apartments (Credit Underwriters Report)

Ms. Edmonds stated that this item came before the Board in year 2000 as a transaction by a not-for-profit owner. The nature of the ownership has changed and the developer is now applying for private activity bond allocation on this development and we would recommend proceeding with this financing. Mr. Horn asked for a motion approving the recommendation.

A MOTION was made by Mr. Iglesias to accept the recommendation to approve the 22 Ave. 183 St. & 187 St. Apartments. The motion was seconded by Mr. Williams and passed unanimously.

D. Silver Blue Lakes (Sale and Assumption)

Ms. Braynon recommended that the Board approve the assumption and sale; the County Attorney's office has reviewed the assumption; the buyer is assuming and there is no risk to the Authority. (Mr. Horn wanted the record to reflect that Mr. Brito arrived). Mr. Horn asked for a motion approving the recommendation.

A MOTION was made by Mr. Cure to approve the assumption. The motion was seconded by Mr. Iglesias and passed unanimously.

E. Rebuilding Together with Christmas in April

Ms. Braynon stated that "Christmas in April" is one of the activities that the Authority participates in by donating labor but this year we were notified late. Ms. Braynon introduced Todd Browning from the Christmas in April Rebuilding Committee and recommended using \$25,000 from the McKinney Act funds to finance this project. Mr. Horn asked for a motion approving the request.

A MOTION was made by Rene Sanchez to approve the assumption. The motion was seconded by Vice-Chair Brito and passed unanimously.

F. Lease Purchase Programs (Policy Discussion)

Ms. Braynon stated that late last year, the Authority began looking at "Lease Purchase Programs". She introduced Daniel Thompson from Fannie Mae to make a presentation of their program. Katrina Wright, who is employed by Fannie Mae, excused herself from the Board meeting during Mr. Thompson's presentation. Mr. Iglisias requested that a matrix be prepared of the three proposed "leasing programs" (Freddie Mac, Fannie Mae, Flick's Homesteading Program), to make it easier for Board members to review at next month's meeting.

IV. Updates

A. 2002 Single Family Program

Pat Deniham gave an overview of the 2002 Single Family Program.

B. Foundation/Community Outreach

Ms. Braynon informed the Board of two successful homebuyer workshops held recently:

?On Saturday, April 19, Accion homebuyer club held a workshop for approximately 40 people in Little Havana. They will all receive certificates.

?On Saturday, April 26, a homebuyer workshop was held in the Haitian community for approximately 37 people. They will all receive certificates.

Ms. Braynon informed the Board of the status of the "Anti-Predatory Lending" radio campaign with spots in English on April 18 and Spanish and Creole on April 21.

V. Authority Administration

Ms. Braynon discussed a loan of \$9 million that was made to Miami-Dade County and that the remaining notes are due in November of 2003.

A. Authority Financial Statements – Unaudited

There were no discussions by the Board.

B. Non Pooled Investments

There were no discussions by the Board.

C. Delinquent Multifamily Accounts

There were no discussions by the Board.

C. Multifamily Monthly Report

There were no discussions by the Board.

VI. Other Business

The upcoming Multifamily Bus Tour was briefly discussed.

The meeting adjourned at 3:43 p.m.

1	MIAMI-DADE COUNTY, FLORIDA HOUSING FINANCE ACTIONT 25 WEST FLAGLER STREE
2	SUITE 95
3	MIAMI, FLORIDA 33130-172 (305) 372-799
4	FAX (305) 371-915
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7	FLAGLER FIRST MINUTES
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9	HOUSING FINANCE AUTHORITY
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16	February 24, 2003
17	2:00 P.M.
18	25 West Flagler Street
	Suite 950
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23	TRANSCRIPT OF MEETING
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MS. BRAYNON: We've met with the developers of the Flagler

25 First Development, and I have in your Board package a proposal

OFFICIAL REPORTING SERVICE (954) 467-8204

- that we presented to them, and at the time that we met, I think
- 2 this was in agreement, and I'll ask either of the developers if
- 3 they'd like to tell us on the record is this still the agreement,
- 4 and I'll just read for them and anyone who may not have it with
- 5 them.
- 6 They would pay the financial advisor fee of the \$35,000.
- 7 CHAIRMAN HORN: Would you also tell us what the changes
- 8 were, Pat?
- 9 MS. BRAYNON: Yes, I will. I'll just run through them, and
- 10 I'll tell you what part was a change. They also agreed to the
- 11 County Attorney fee, the \$10,000 fee;
- 12 And then a half of one percent for the \$3 million for the
- 13 two years, which is the length of time our collateral will be
- 14 used by Wachovia;
- 15 And the fourth item would be a one percent fee on the \$3
- 16 million at the end from their profits.
- 17 The changes, instead of us getting the full one percent of
- 18 our commitment fee up front, the change is now that we will wait
- 19 until the end after the development is done and receive a one
- 20 percent fee at that time from their profits. That was what we
- 21 proposed.
- 22 I don't know if the developer wants to say anything, and
- 23 Board members may have questions. This was just a staff
- 24 recommendation. You may want to discuss it a little more, but
- 25 this was a staff recommendation.

- 1 CHAIRMAN HORN: All right, gentlemen.
- MR. KAPUSTIAN: Rafael Kapustian, 25 S. E. 2nd Avenue,
- 3 Miami, Florida. Thank you very much. It's nice seeing you all
- 4 again. If I may ask Pat a question, please?
- Pat, on the attorney's fees, can we go over that one again?
- 6 We have the consultants' fees that we've agreed to pay, the half
- 7 a point per year that we agreed to pay, the extra point for
- 8 profits assuming there are -- I'd like to make this part of the
- 9 record -- assuming that there are any profits.
- 10 This project by design is not supposed to have profits as
- Il the units are being sold below cost, but should there be a
- 12 profit. I'd like to make it clear on the record.
- 13 CHAIRMAN HORN: That was our understanding.
- MR. KAPUSTIAN: But the question I have are the attorney's
- 15 fees. I thought in our meeting there was a question as to the
- 16 Commissioner that we met with that he was going to work on that.
- MS. BRAYNON: I haven't heard anything different. Did he
- 18 tell you anything different?
- MR. KAPUSTIAN: Well, the understanding was that he was
- 20 going to work on that issues.
- 21 . MS. BRAYNON: I have both County Attorneys here.
- MR. HOPE: Correct.
- 23 MR. KAPUSTIAN: The question is whether this is something
- 24 that we need to finalize today, the issue of the County fees,
- 25 because that was the one question that the Commissioner was

- working on. So perhaps if we can just give him the opportunity
- 2 to work on this issue, and we can basically approve everything
- 3 else, and we're very happy to do it.
- 4 MR. HOPE: Right. It's my understanding, and I think Jerry
- 5 can corroborate this, that the Commissioner may have made a call,
- 6 but that I still know as of today, our fees are not being waived.
- 7 MR. HEFFERNAN: That's correct.
- 8 MR. KAPUSTIAN: So what I'm simply asking the Board is if
- 9 you could please give consideration. We're very happy to move
- 10 along with the approval of everything else and leave that kind of
- 11 in standby if you could do that.
- 12 MR. HOPE: There's nothing to leave. There's nothing to
- 13 leave.
- MR. KAPUSTIAN: What I'm simply asking is if you can do it,
- 15 it's okay. What I'm asking the Board to do is that we reached
- 16 this agreement. Just as kind of a cute note, I'd like to say
- 17 that this agreement was reached on Valentine's Day, and it just
- 18 proves what a little bit of love can do.
- 19 CHAIRMAN HORN: That's also the date of the St. Valentine's
- 20 Day Massacre. It depends on your perspective.
- 21 MR. KAPUSTIAN: I always like to look at the happy side.
- 22 So what I'm simply asking for your consideration, we're very
- 23 happy to go along with what Pat has suggested, the half a point
- 24 per year and \$35,000 for the consultants, the point from profits
- 25 be there any, and we're asking you to kind of perhaps pull out

- the issue of the County fees and let that stand by if possible,
- 2 perhaps to the next meeting.
- 3 MS. BRAYNON: The only thing I wanted to say is, and I
- 4 think I said this, and I made this very clear in the meeting,
- 5 that this Board cannot waive the County Attorney's fee.
- 6 MR. KAPUSTIAN: I'm not asking you to waive it.
- 7 MS. BRAYNON: Right. Or negotiate it; I'm sorry. What we
- 8 Said is we would talk with the County Attorney's Office because
- 9 it is their fee and see if they would be willing to somehow
- 10 negotiate their fee.
- And you tell me if I'm understanding what you're saying.
- 12 If we accept this as it is today, if, at some point down the road
- 13 it's removed, is that okay with this Board? Is that what you're
- 14 saying? I'm not clear. I just wanted to find out what you were
- 15 trying to say.
- MR. KAPUSTIAN: Maybe what I'm trying to say is that in the
- 17 meeting that we had with -- I guess it's part of the record --
- 18 with Commissioner Barreiro, he asked from both sides, from you
- 19 and from us, to give him an opportunity to work in that end. All
- 20 ,I'm asking you is to give him that opportunity. That's all.
- 21 MS. EDMONDS: I want to go back to the last meeting and
- 22 just refresh when we were discussing these fees. This Authority
- 23 has incurred some expense. The expense is these various
- 24 professional fees that's being discussed, and I think the real
- 25 issue here is whether you're going to be reimbursed those fees by

- the developer in connection with this deal or you're simply going
- 2 to pay those fees. The costs are there irrespective of that.
- 3 The change from last month to this month really is in the
- 4 amount of the commitment fee, that your staff came up with a
- 5 commitment fee that accepted a contingent fee arrangement really
- 6 depending on profitability of the project with a lesser fee paid
- 7 up front.
- 8 CHAIRMAN HORN: Rene?
- 9 MR. RENE SANCHEZ: I got a little confused. Are we talking
- 10 about the financial advisors' fee?
- MS. BRAYNON: No, the County Attorney.
- 12 CHAIRMAN HORN: No, the County Attorney's fee.
- MS. BRAYNON: Yes.
- MR. RENE SANCHEZ: So we're talking about the \$10,000 from
- 15 the County Attorney, which we do not negotiate anyway. It's that
- 16 County Attorney's Office.
- MS. EDMONDS: That's right.
- 18 MS. BRAYNON: Right.
- 19 MR. RENE SANCHEZ: So that part of it I don't think is
- 20 relevant whether we pass it or not, whether we opt on it or not
- 21 because that's the County Attorney, not us. It's part of the fee
- 22 of the transaction.
- 23 · MS. MEMBIELA: To clarify this, let's assume that the
- 24 County Attorney's fee is not waived. What is the liability to
- 25 HFA?

- MS. BRAYNON: We pay it.
- MR. HOPE: If the developer does not pay it, you pay it.
- 3 MS. BRAYNON: Right, we pay it. You had another question
- 4 down there.
- 5 CHAIRMAN HORN: Maggie, and then Hector.
- 6 MS. GONZALEZ: I'm sorry. I have two questions. Is this
- 7 the standard attorney's fee --
- 8 CHAIRMAN HORN: Yes.
- 9 MR. HOPE: Yes, it is.
- MS. GONZALEZ: -- or has this been reduced?
- MR. HOPE: No, it's the standard.
- MS. BRAYNON: No, this is the standard.
- MS. GONZALEZ: And it's always been this for this
- 14 particular project?
- MS. BRAYNON: Yes.
- 16 MR. HOPE: Yes.
- 17 CHAIRMAN HORN: Hector?
- 18 · VICE CHAIRMAN BRITO: Mr. Chairman and Mr. Kasputian, if
- 19 you would be so kind, and I appreciate the fact that staff, the
- 20 Board, and the developer as well as the Downtown Development
- 21 Authority have been trying to get this development off the
- 22 ground, and I would like to, since we were under the impression
- 23 that there was an agreement that was achieved already, may I
- 24 suggest that we proceed with what we have now, and you always
- 25 have your right certainly to --

I mean, in the spirit of cooperation, I would like to see

- 2 that we maintain open lines of communication and also maintain
- 3 any changes that might transpire during the construction process
- 4 or during the development process, that we keep those lines of
- 5 communication open, and any issue that may arise, you are always
- 6 welcome to come back and address the Board. But for the sake of
- 7 just moving forward on this, I would like to know if that is
- 8 acceptable.
- 9 MR. KAPUSTIAN: We don't have a problem. We just would
- 10 like this Board to give the developer the opportunity to
- 11 negotiate the \$10,000 County Attorney's fees. We're not asking
- 12 you to pay for it. We're asking you to give us that opportunity.
- 13 It's not to us. That's what Commissioner Barreiro asked the
- 14 Authority to do.
- So we're willing to go along with what you're suggesting
- 16 with the provision that you allow Commissioner Barreiro, as he
- 17 promised, to work on the \$10,000 fee.
- 18 VICE CHAIRMAN BRITO: Mr. Kasputian, the recommendation and
- 19 what we're getting from staff including our attorneys is that
- 20 that is not an option that we're able to determine or to decide.
- 21 So we go right back to the same position, that if we accept the
- 22 recommendation from staff, there's always an opportunity for you
- 23 to address that at another time.
- 24 MR. KAPUSTIAN: Let me ask a question. Should Commissioner
- 25 Barreiro be successful in working this item out, would the Board

- and staff have a problem?
- 2 CHAIRMAN HORN: That depends.
- 3 MR. KAPUSTIAN: You're not going to be responsible, as long
- 4 as you don't have to pay for it. If he finds a way to pay for
- 5 it, would this Board have a problem?
- 6 MR. RENE SANCHEZ: I guess that would need a motion;
- 7 wouldn't it?
- 8 CHAIRMAN HORN: Rene and then Chip.
- 9 MR. RENE SANCHEZ: That would require a motion. On another
- 10 issue, being in the world that we live in today and all the news
- in the last year, I'm not an accountant, and the one percent fee
- on \$3 million from the profits is under whose accounting
- 13 standards? Who's the accountant? Who's going to review the
- 14 accountant's documentation?
- Because I understand that you're not expecting a profit
- 16 from this, and I know the intentions of this project and what the
- 17 purpose of the project is, providing affordable housing in a
- 18 market housing environment. But how do we know that the no
- 19 profits is really no profits? How do we know that we're not
- 20 going to be paying executive fees in the amount of \$3 million to
- 21 the executives that are running it, or marketing fees that are
- 22 actually subsidizing other costs in another place?
- 23 I mean, major league baseball is famous for this, Enron,
- 24 World Com. How do we make sure that our accounting principles
- 25 are kept in this matter?

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MR. KAPUSTIAN: Because there is \$2.8 million of public

- 2 subsidy. We have audited financial statements, both to the City
- 3 and the County.
- 4 MR. RENE SANCHEZ: Has staff reviewed who the accounting
- 5 firm is? Who is the accounting firm? What is their
- 6 accreditation and so on?
- 7 MS. BRAYNON: Marianne is going to address your question.
- MS. EDMONDS: We have not done that yet. I mean, I'm not
- 9 aware of who the accountant is who is going to do the auditing or
- 10 any of that.
- 1! When I initially was asked to put something down along
- 12 these lines, what I had proposed was that once expenses were
- 13 covered, and we have to get to how we're going to tell if
- 14 expenses have been covered, but what I had proposed was that the
- 15 profits would be used 50 percent to the developer and 50 percent
- 16 to go towards payment of this one percent fee. That was what I
- 17 had put in writing, I guess, to Pat when we were talking about
- 18 this.
- 19 I would envision that before this documentation is signed
- 20 we would have project budgets. We would have all the information
- 21 that you've talked about, and that before the loan closes and our
- 22 collateral is pledged, that these things would all be worked out.
- 23. In my mind, you don't sign until all of that detail is worked
- 24 out.
- 25 MS. BRAYNON: Right.

- MR. RENE SANCHEZ: Are we expecting as a Board to see that
- 2 information prior to the closing?
- 3 MS. EDMONDS: I would assume yes.
- 4 MR. RENE SANCHEZ: Is that something that we review?
- 5 MS. EDMONDS: It would always come back to you. The amount
- 6 of review that you chose to do of that personally as opposed to
- 7 relying on staff is, of course, your prerogative.
- 8 CHAIRMAN HORN: Chip?
- 9 MR. IGLESIAS: Mr. Chairman, I guess it seems like the 2,
- 10 3, and 4, or actually 1, 3, and 4 are something that staff worked
- 11 out and is recommending to the Board; and then the issue is No.
- 12 2, obviously, which is not up to us.
- MS. BRAYNON: We have to pay it.
- MR. IGLESIAS: No, I know, but I mean, it's not up to us to
- 15 determine how much that fee is going to be.
- MS. BRAYNON: If it drops. Right now that's the normal
- 17 fee.
- MR. IGLESIAS: Right. Now, would it be possible to make a
- 19 motion accepting all the other terms except for the County
- 20 Attorney fee -- and this is still going to come back to us -- to
- 21 show the County Attorney that this Board has, in principle,
- 22 supported this deal and allow them to continue to work on that,
- 23 and it still would have to come back to us, and we make a
- 24 decision at a next meeting.
- If the County Attorney says, "No, it's the full \$10,000,"

- then we make a decision whether we want to absorb any liability
- or not. Or if the County says, "Yes, we'll lower it to \$7,000,"
- 3 then I guess it would come back to here.
- But at least it would show some progress on some of these
- 5 other issues, and it would show some intent if the Board so
- 6 desires today to show support for the other terms that have been
- 7 recommended by staff. Is that possible?
- g CHAIRMAN HORN: Would it be better to do the opposite,
- 9 which is what I believe Hector's comment was? We go ahead and
- 10 approve everything, and then they have the right, if they so
- 1) choose, to go ahead and meet with whoever to see if they can get
- 12 it waived, approved, whatever, but to the extent that anything is
- 13 going to be done that ultimately is going to come back for us
- 14 paying, it's going to have to come back to us anyway for
- 15 approval.
- MR. IGLESIAS: Right, but my problem, Mr. Chairman, is that
- 17 it just kills the openness of being able to work that out if that
- 18 Board just says, "Hey, approve it as is," and so forth. I'd feel
- 19 more comfortable leaving that one item open to allow them. It's
- 20 not going to impact us in any way at this point because we're not
- 21 approving the deal. We're approving certain terms. Show
- 22 support, if that's how the Board feels today, except for that one
- 23 item.
- 24 If they're successful, it still has to come back to us
- 25 either way, and we'll have to vote on that item, whether it's the

- 1 full \$10,000 and they have to pay for it, whether the County
- 2 Attorney has lowered their fee.
- 3 My concern with approving the whole thing as is, it's sort
- 4 of that's it, done deal, stamp of approval, it's gone, and it
- 5 seems like there's nothing else for them to be able to work and
- 6 negotiate.
- 7 So I'm giving the benefit of the doubt where we're not
- 8 impacted and allowing them to have some ability to work that out
- 9 with the County Attorney.
- 10 CHAIRMAN HORN: Marianne?
- II . MS. EDMONDS: I'm going to step probably in a little bit of
- 12 public policy, but thinking this through, the County is
- 13 subsidizing this project, and we know that there is County money
- 14 in this development. I believe there's City money, too. It
- 15 seems to me if someone at the County wants to pay the County
- 16 Attorney's Office, that's fine. Should that come up later, and
- 17 there's an internal subsidy, that makes sense.
- 18 But I think from a policy perspective, for this Board to
- 19 have good working relationships with the County, you have to pay
- 20 your way. So if there's someone at the County who wants to
- 21 subsidize something, then let them speak up and subsidize it and
- 22 work that out over at the County Attorney's Office and in the
- 23 County Center Building.
- 24 But the County Attorney's Office has made it clear to us
- 25 that there is a fee, and that fee is being charged. It is. It's

- 1 out of my domain. But I would just set that out there as a
- 2 little bit of a policy perspective.
- 3 MR. IGLESIAS: My only point is that it doesn't put us in
- 4 any position at all whatsoever, or it doesn't put the County
- 5 Attorney in any position. I mean, if we pass it, if we pass it,
- 6 if we pass all these four points, they're still going to go talk
- 7 and try and work that out.
- 8 So we're not exposing ourselves to anything by allowing
- 9 that item to still remain as an open item. We're not telling the
- 10 County Attorney that we're supporting them lowering it. We're
- 11 just saying it's up to the developer to try. So we're not taking
- 12 a stand on that particular item. We are taking a stand on the
- 13 items that we have within our control and allowing that item to
- 14 be discussed further, and if they're successful, fine. If
- 15 they're not, fine.
- 16 CHAIRMAN HORN: Larry, and then Roymi.
- 17 MR. FLOOD: I'm just wondering if something would work
- 18 because it seems like all of the discussion is over the amount.
- 19 Would it work to simply take the dollar amount out and replace it
- 20 with "fees payable to the County Attorney's Office, whatever they
- 21 are"? Once you approved that, then you've approved whatever the
- 22 County Attorney's fee is.
- 23 CHAIRMAN HORN: Roymi and then Maggie.
- 24 MS. MEMBIELA: Yes. I guess I have two questions. One is
- 25 we're kind of getting hung up on the Attorney's fees when in

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reality I think the developer is saying that he is acknowledging
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- 2 that there would be fees, but what I'm hearing is that if there
- 3 are ways that he's able to work through the County in getting
- 4 those waived, then so we will still be paid, or we will be paid
- 5 by the County, or they will be waived altogether and we would not
- 6 be liable. Otherwise he's accepting them. That's my
- 7 understanding on that item.
- 8 But I think the bigger issue here is that we have now
- 9 accepted a reduced fee because in essence, based on our last
- 10 meeting -- and again I'm new to this process, and bear with me;
- 1) okay? But during our last meeting, we were talking about a fee
- 12 which we were firm on sticking on, and now we have changed that
- 13 fee so that it's only half of one percent, and then that other
- one percent is on the basis of profits, and the developer has
- 15 been up front to say that there is a very good possibility that
- 16 there may not be profits, and we all recognize that. So this is
- 17 all for the love of the development of Downtown that we stand
- 18 for, and I'm an advocate of that.
- 19 : But all that said, I guess my question is going back to how
- 20 we, as an organization, assess consultants' fees. If this was a
- 21 doable agreement, why couldn't we have come up with this as an
- 22 alternative option from our consulting team during our last
- 23 meeting? And why were we firm on a rule the last time, and now
- 24 we changed? I guess I need to understand that.
- 25 The County Attorney fees, to me it's clear that the

I 'developer has accepted that. If he's able to waive them or the

- 2 Commissioner comes up with something, we're going to be covered
- 3 either by the developer or by that.
- But my bigger question is: Why did we change from the hard
- 5 line that we had before to now accepting potentially less? I
- 6 think that's the bigger question that I would have in approving
- 7 this entire thing.
- 8 MS. BRAYNON: I was just trying to communicate with the
- 9 financial advisors just to make sure we all agree. But I think
- 10 Marianne can kind of set it out for you very clearly what we did.
- MS. EDMONDS: First of all, this is a proposal. The Board
- 12 can accept or reject. In the spirit of trying to be cooperative
- 13 and find out what works and what doesn't, what we discovered or
- 14 what we thought might be the case was that we were focusing on
- 15 what category fees and expenses were in as opposed to the total
- 16 dollar amount. So the idea was to back off from, "Okay. These
- 17 are the costs, and this is the commitment fee," and talk instead
- 18 about, "What's a total? Can the project support this total? And
- 19 if it can, then how do we go back and allocate that total between
- 20 expenses and commitment fee?" And that was really the way in
- 21 which this was shaped.
- 22 It was going back and taking a second look to make sure
- 23 that we weren't getting hung up in language and communication
- 24 problems, but were rather focusing on really dollars, the total
- 25 dollar amounts.

MS. MEMBIELA: My point to that is, I guess, this needs to

- 2 be a learning lesson for us because the more we prolong, if we
- 3 agree as a Board that we're looking at a deal as something that
- 4 will benefit the community and that we want to embrace it in some
- 5 sort of form, I think it's best that we are early on up front
- 6 about the flexibility that we can bring to the table because
- 7 ultimately wouldn't that represent savings for us on how we
- 8 compensate our consultants for extra time incurred on coming up
- 9 to a conclusion on a deal?
- 10 I guess that's my question. The more this thing keeps
- 11 rolling around, the longer it is that it takes us to make a
- 12 decision.
- MS. BRAYNON: I don't think so, no. No, I don't think so.
- MS. MEMBIELA: So clarify that for me.
- MS. BRAYNON: I think, as Marianne was saying, we sort of
- 16 looked at it and said, "How can we reclassify, reallocate where
- 17 the fees come from since the developer is saying this is an issue
- 18 for him?" But the fees, their fees, for example, the \$35,000 and
- 19 the \$10,000, that was the amount no matter what the amount of
- 20 work. That's a flat fee.
- They can, of course, charge hourly, which they don't on
- 22 transactions of this nature because it could get to be quite a
- 23 bit of money. So this is not an hourly fee. This is a flat fee.
- 24 So the fact that we've come one or two Board meetings, it didn't
- 25 increase the fee any more. It was just we're trying to find a

- 1 way to make it work for everyone.
- 2 CHAIRMAN HORN: I've got Maggie next, and then Hector, and
- 3 then I'm going to put on the floor whether any one of the Board
- 4 members wants to make a motion so we can hopefully get through
- 5 .the rest of the items on the agenda.
- 6 MS. BRAYNON: Don, Jerry wants to say something.
- 7 MR. HEFFERNAN: I want to make a comment at some point,
- 8 too, if I could.
- 9 CHAIRMAN HORN: Okay, Jerry. I didn't see your hand there.
- 10 Sorry.
- MR. HEFFERNAN: That's okay. At some point, whenever
- 12 you're ready.
- 13 CHAIRMAN HORN: Okay.
- 14 MR. HEFFERNAN: My name is Jerry Heffernan. I'm an
- 15 Assistant County Attorney. For new members, I just want to make
- 16 it clear as to what our role is with this Authority because it
- 17 'sound kind of petty that we're fighting over \$10,000.
- But quite frankly, we serve the Authority. I almost do it
- 19 on a fulltime basis, and we don't get paid for that. We don't
- 20 charge the Authority for our time. We come to meetings every
- 21 month. I spend at least half my time dealing with Authority
- 22 issues when the meetings aren't being held. I'm talking to staff
- 23 'all the time. We don't charge for our services.
- 24 The only way we get compensated is from transactions that
- 25 happen. So if you have bond transactions, that's good for us.

- 1 If you don't, we don't get paid.
- Now, for us to start waiving fees every time someone asks
- 3 us to waive a fee, we're going to end up having no fees and be
- 4 spending all our time and getting paid nothing. So we have a
- 5 flat fee of \$10,000. It used to be \$5,000. We increased it a
- 6 few years ago. But I can tell you I spend a lot of my time, a
- 7 lot more than we get back from transactions, on handling matters
- 8 for the HFA.
- Now, you have a choice. You don't have to use the County
- 10 Attorney's Office. That's a choice you have. You can go outside
- 11 and hire your own counsel and pay outside fees to have someone
- 12 come to these meetings and do all the work they do, and they'll
- 13 probably charge you on an hourly basis for it. But that's your
- prerogative. But I don't want it to sound like we're being
- 15 obstinate and we don't want to help the community because we'd
- 16 like to. But you're asking us to set a bad precedent, and we
- 17 just don't want to do that.
- Now, what the developer has said, I can tell you that
- 19 Commissioner Barreiro has spoken to Murray Greenberg in my
- 20 office. They talked about this very issue. Murray is not
- 21 willing to waive it because he doesn't feel it's appropriate to
- 22 do that.
- Now, Murray did say to Commissioner Barreiro if there's
- 24 another source of funds that they can come up with to compensate
- 25 us for our time, and it doesn't come from the development, that's

- 1 'fine as well. But it's not like we're trying to be petty and
- 2 we're being selfish here. I just want to make that clear for new
- 3 members what our role is so you understand.
- 4 CHAIRMAN HORN: Maggie, Hector, and Chip.
- 5 MS. GONZALEZ: I am in complete agreement with what he just
- 6 said; okay? There should be no negotiation of fees here. That
- 7 is not our role as I understand it. I'm not sure if this has
- % happened before, Pat, or not.
- 9 MS. BRAYNON: No. I don't think so, no.
- MS. GONZALEZ: But I know that when there's an
- 11 application -- I think you call it an inducement here -- that the
- 12 developer should be told what the fees are, all of the fees. The
- 13 developer at that time, with the payment of the application fee
- or inducement fee, should be aware of it, and it should be in
- 15 writing, and that should be it. There should be no more
- 16 discussion. So I don't understand why this is coming up now.
- I was looking at last month's minutes, yes, and you agreed.
- 18 You want to have consultant fees waived, and you want to have all
- 19 these types of fees waived. What is the reason for having these
- 20 fees waived? There is a lot of work involved in this.
- 21 . One minute. I'm not done.
- 22 And he is correct. If there was an attorney working on
- 23 this, he would be charging on an hourly basis, and \$10,000 is
- 24 very reasonable. As a matter of fact, I am surprised that it is
- 25 so reasonable. So I am totally opposed to doing this now or any

- 1 time again in the future for any developer.
- 2 CHAIRMAN HORN: Hector, and then Chip.
- 3 VICE CHAIRMAN BRITO: I just wanted to address Roymi. We
- 4 have been working on this. This is a pilot program. In essence,
- 5 we do not by nature pledge collateral on any developments. So
- 6 this is a pilot program, and that's why there were some fees that
- 7 were proposed or negotiated, but it was in order to be able to
- 8 meet some of the other obligations that we have with homebuyer
- 9 counseling and things of this nature. I mean, there is no set
- 10 structure, and that's just what I wanted to clarify.
- With all that said, I just wanted to see, Mr. Kasputian, we
- 12 have a recommendation from staff, and we have been working
- 13 together now for over 18 months. It's going up on almost two
- 14 'years, and Downtown Miami certainly not only deserves and
- 15 warrants the redevelopment, and you all have been pioneers
- 16 throughout this process.
- My question to you before was that you always have the
- 18 right, and we are always welcoming you to revisit any issue that
- 19 may arise throughout this process. Staff has been mentioning the
- 20 spirit of cooperation and moving forward with this process. I'm
- 2] ready to make a motion.
- 22 CHAIRMAN HORN: Two more comments. Chip, and then Patrick,
- 23 and then we'll go ahead and hear your motion.
- MR. IGLESIAS: Thank you, Mr. Chairman. I think, Mr.
- 25 Attorney, the one thing that you put on the table that's kind of

- 1 misleading is like if we were taking some sort of action to waive
- 2 fees. We're not doing that, and you've given the impression, you
- 3 know, in Maggie's comments like if we even have the ability to
- 4 waive those fees. Not at all. We're not doing that.
- 5 MR. HOPE: No, Chip. I don't think that's what Jerry said
- 6 or meant.
- 7 MR. IGLESIAS: Yes, he did.
- 8 MR. HOPE: I think the bottom line is if the developer does
- 9 not pay the fees --
- MR. IGLESIAS: No. Excuse me. Excuse me. Excuse me.
- 11 Jerry said that for us to waive the fees, you know --
- 12 . MR. HOPE: For our office to waive our own fees.
- MR. HEFFERNAN: For our office, not you.
- MR. IGLESIAS: It's not a message to us; okay? My point is
- 15 out of respect to a Commissioner who is still working on this, on
- 16 something that we have bearing on; okay? And out of respect to a
- 17 Commissioner who is trying to work on something, I don't
- 18 understand what the issue is of dealing with the things that we
- 19 have control over and allowing that thing, that one item to be
- 20 dealt with appropriately at whatever they're doing.
- And do you do you know? It's going to have to come back,
- 22 and whatever that payment is going to be, it's going to be. But
- 23 the impression that we're here to waive something is erroneous.
- 24 And number two, out of respect to a Commissioner who is
- 25 still working on this project, I think that he should be given

- that consideration to allow that to happen. Whether Murray says
- 2 no or whatever, allow that process to go through.
- Now, let's go back a second and understand what the
- 4 project's about; okay? If we take a look at a project like this
- 5 in Downtown Miami, it ain't going to work unless you have multi-
- 6 jurisdictional support; okay? The City, the County, and now this
- 7 Authority who's been working very hard to try to make something
- 8 happen without having to absorb and be exposed and take fees on,
- 9 which I agree with; okay?
- 10 But it's going to require this level of commitment to do
- 11 something in the Central Business District. It ain't going to
- 12 happen without that.
- 13 At this point in time, the ability to have a multi-
- 14 jurisdictional approach to try and support something to move
- 15 forward to have mixed income housing in Downtown is a big deal,
- 16 not only to the County, but the City.
- 17 So my point is that we're getting hung up on something
- 18 that's really not our control, and out of respect to a
- 19 Commissioner, I would allow that item to be flushed out. Whether
- 20 it's going to happen or not, I don't know, and at that point it's
- 21 really not an issue to me because that would have to come back.
- 22 I mean, a deal is a deal. Whatever you're going to charge,
- 23 you charge. Either he accepts it, or they don't accept it.
- MR. HOPE: With all due respect, what Jerry was doing was
- 25 giving this Board the communications to let them know that

- 1 Commissioner Barreiro has already spoken with our First
- 2 Assistant. Our First Assistant has already said to him we are
- 3 not willing to waive our fees. He told him why we're not
- 4 willing, but he also left open and said if another source in the
- 5 future can be found, we're not waiving our fees. That would be
- 6 the source that would be used to pay the fee. That's what the
- 7 update was for.
- MR. IGLESIAS: And that's the part that the Commissioner,
- 9 I'm sure, is trying to still work on something that might come to
- 10 a different conclusion.
- MR. HOPE: And that's fine.
- MR. IGLESIAS: And all I'm saying is that whatever the fee
- 13 is going to be, it's going to be. It's not like we're taking
- 14 that hit right now.
- MR. HOPE: But the point is that this Board needs to
- 16 understand that the fee is due when payable, and if the developer
- 17 doesn't pay it or if another source is not found, the HFA is
- 18 liable for that fee.
- 19 MR. IGLESIAS: But that's my point that I said earlier,
- 20 that this deal as a whole would come back to us to make sure that
- 21 we're approving something that does not have any loose ends like
- 22 the fee from the County Attorney.
- 23 I'm not going to sit here and approve something that leaves
- 24 it open and then come back and he says, "We're not going to pay
- 25 it," and then we're on the hook for it; okay?

- What I said earlier was if the terms have been recommended
- 2 by staff, things that we have control over, if that's something
- 3 that's agreeable to the Board, then allow that to go forward.
- 4 Allow the Commissioner to do whatever work he's going to do on
- 5 that item, and this will still come back to us to approve
- 6 whatever that fee is going to be.
- 7 If it's still \$100,000, if it's still \$10,000, they have a
- 8 choice to make, whether they're going to pay it or not.
- 9 MR. HOPE: Well, I can tell you now the fee --
- MR. HEFFERNAN: Let me just clarify, David. I just want to
- 11 clarify for the record. Chip, there's no way that I meant that
- 12 I'm asking this Authority to waive my fee. That was not my
- 13 point. My point was to tell the new --
- MR. IGLESIAS: You gave the impression that --
- 15 MR. HEFFERNAN: What impression? I said that our office
- 16 was not going to waive our fees.
- 17 MR. IGLESIAS: I'm not going to argue with you. I'm just
- 18 saying you gave the impression. You have new Board members here.
- 19 .You give the impression that we have a role in this fee, and we
- 20 don't. I mean, we're getting all hung up on this fee. I don't
- 21 know why.
- 22 MR. HOPE: Yes, you do.
- 23 MR. HEFFERNAN: Let me just start with you do have a role
- 24 in it. Why? Because you set the fee at \$10,000. You're the
- 25 ones who set it, but I don't even want to get into that. My

- point was to let members know how we serve this Authority and
- what our function is, that's all, and how we get paid for it, not
- 3 anything more than that. I even said at the end you have the
- 4 discretion to do whatever you'd like. Now, if you want to
- 5 proceed with it like you suggest, that's fine. I'm not
- 6 recommending you do something.
- 7 MR. IGLESIAS: We don't have discretion with the fee.
- MR. HEFFERNAN: You have discretion in terms of whatever
- 9 you want to approve right now. If you want to approve three
- 10 parts of it, approve three parts of it. That's all I'm saying.
- 11 MR. CURE: Mr. Chair?
- MR. IGLESIAS: I'm just saying I'm talking about the fee.
- CHAIRMAN HORN: Okay, okay. I think we're beaten this one.
- 14 We've got Patrick, and then Hector's going to make a motion.
- MR. CURE: Mr. Chair, I promised my wife I was going to
- 16 keep my mouth shut because she knows I can talk a lot. This is
- 17 my first meeting, but after sitting here listening for a while, I
- 18 think it does behoove us and this Board if it's in order to
- 19 definitely make a motion to leave it as is, and if the developer
- 20 can find a resource on his own to come up with the \$10,000, then
- 21 that's in his best interest. But as far as we're concerned, I
- 22 think we just show a united front that we're going to have some
- 23 conformity here.
- 24 CHAIRMAN HORN: So is that a motion to approve the staff's
- 25 recommendation in the memo dated 2/24?

- MR: CURE: Yes, sir.
- 2 CHAIRMAN HORN: Is there a second to that?
- 3 MS. INGRAM: I second it.
- 4 CHAIRMAN HORN: It's moved and seconded. Any further
- 5 discussion? (There was no response from the Board members.)
- 6 . If not, all those in favor of the motion say aye.
- 7 ALL BOARD MEMBERS: Aye.
- 8 CHAIRMAN HORN: Any opposers may. (There was no response
- 9 from the Board members.)
- 10 The ayes have it. So it carries.
- II THE COURT REPORTER: That was no opposed.
- 12 CHAIRMAN HORN: No opposed.
- 13 THE COURT REPORTER: Thank you.
- онытримым нови. Anv abstentions? (There was no response

TO:

Chairperson and Board Members

DATE:

May 13, 2003

FROM:

Patricia Braynon, Director Housing Finance Authority

Appointment to ADRAC

Mr. Ricardo Fernandez would like to be reappointed to the Architectural Design and Review Advisory Committee (ADRAC). Mr. Fernandez served as a member of ADRAC from June, 1999 until February, 2001. When Mr. Fernandez's company, Indigo Service Corporation, began pursuing county business, he resigned to avoid a potential conflict of interest. Mr. Fernandez has since been advised by his company's attorneys of Steel Hector & Davis that since the work the company is performing is pro bono, there is no conflict of interest.



Indigo Service Corporation

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RICARDO J. FERNANDEZ

President, Indigo Service Corporation
Miami, Florida, USA

Ricardo J. Fernandez is president of Indigo Service Corporation; an architectural, design, management and consulting firm serving a diverse list of clients in the U.S. and overseas markets. In addition to architectural services, Indigo Service Corporation provides special services to developers, building owner, and asset managers, cruise line and hospitality industry, banking and the legal profession.

After 17 years of serving cruise line clients, Mr. Fernandez has developed expertise and renown in working with the expanding cruise line industry. Clients include Admiral Cruises, Costa Cruises, Holland America Line, Princess Cruises, Royal Caribbean International, and other major cruise line, port authorities and hospitality clients. From out-island acquisition and development to on-board operations consulting, to port of call inspections and selection, his work assignments have resulted in creating attractive projects and additional revenue for cruise line companies and developers as well as the resort and hospitality industry

Projects include the highly successful developments of Labadee, in Haiti, and Coco Cay Island, in the Bahamas. Other port development projects include work on several cruise ship terminal facilities and, most recently, a comprehensive study of Prince George Wharf for the Ministry of Tourism of the Commonwealth of the Bahamas and the Florida Caribbean Cruise Association and consulting with the Port Authority of Key West, Florida.

Before establishing Indigo Service Corporation early in 1988, Mr. Fernandez was a senior partner for eight years with the firm of Post, Buckley, Schuh & Jernigan, Inc., one of the nation's largest consulting firms. As Vice President for Architecture, Mr. Fernandez played a major role in increasing the firm's revenue and diversity of services, setting new directions and objectives for the Architectural, Facilities and Interior Design divisions. Mr. Fernandez was also responsible for founding the company's building, technical and management consulting services.

Prior to joining PBS&J, Mr. Fernandez headed his own successful architectural firm in Coral Gables for more than five years. He specialized in international, leisure, commercial and tourism developments as well as facility planning and programming. Previously, he handled design, coordination and project management of overseas hotels and resort destinations projects for Gulf and Western Corporation and Sheralon Latin America. Earlier in his career, he was with the firm of Spillis Candela and partners, Inc.

Indigo Service Corporation is a subsidiary of Indigo Holdings Corporation, a group of nine diversified services and tourism/hospitality companies.

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TO: PATRICIA BRAYNON. EXECUTIVE DIRECTOR. HOUSING FINANCE AUTHORITY OF

MIAMI-DADE COUNTY, FL

FROM: MARIANNE F. EDMONDS AND LARRY FLOOD

RE: LEASE PURCHASE PROGRAMS

DATE: MAY 14, 2003

Background

The Authority has received two requests to develop Lease Purchase Programs, and one request to provide funding for such a program. Freddie Mac's program was presented to the Authority and the Foundation by First Commonwealth Securities, Goldman Sachs, Stone and Youngberg and Freddie Mac, in connection with Chambers, Dunhill and Rubin. More recently Fannie Mae presented the Authority a lease purchase program. Funding for the Homesteading Program, another lease purchase program, has been requested by Flick Homes, Inc. as developer, and Affordable Housing Solutions of Florida, a 501c3 organization.

Funding/Bonds

There are distinct differences among the funding of these three programs. The Freddie Mac program involves a structured finance. The financing has been crafted so that most, if not all, of the program expenses will be paid from bond proceeds. The ability to cover costs depends upon various market factors; the ability to sell and close these bonds at no cost to the Authority or the Foundation is <u>very market sensitive</u>, and may not be possible in some market rate environments.

The Fannie Mae program is not as well developed on the financing side. Fannie Mae's description states a preference for governmental entities as borrowers; this program appears to be geared to assist public housing authorities as they dispose of public housing units by converting those units to home ownership.

The Homesteading Proposal presented by Jerry Flick of Flick Homes and Affordable Housing Solutions does not have a well developed financing plan. Flick and Affordable Housing have proposed that the Authority sell 501c(3) bonds to finance the construction and acquisition of scattered site, rental housing. As rental homes are converted to home ownership, new rental properties will be substituted into the portfolio, and the owner occupied properties will be released. The Homesteading Proposal envisions the issuance of bonds with a ten year term. The bond issue does not provide financing for the homebuyer.

The Lease Programs

The Freddie Mac proposal has the most detailed plan for this phase of the program. Representatives of Freddie Mac, First Commonwealth and Goldman Sachs have met with the Authority and the Foundation to discuss many of the details needed to implement the program, including property management, insurance coverage, counseling services, problem tenants.

The proposal for <u>Homesteading</u>, <u>An Affordable Housing Program</u>, dated 2/9/2003 states "This is simply a rental apartment program with detached buildings." Long term management of scattered site, detached housing is different from the management of multifamily housing development, and is expensive and difficult. The Authority should consider this aspect of the Homesteading proposal.

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PATRICIA BRAYNON
Executive Director
Housing Finance Authority of Miami-Dade County, FL

Page 2 May 14, 2003

Conversion to Home Ownership

Once again the Freddie Mac proposal has a more detailed plan. The use of Freddie Mac's Adjustable Rate Mortgage, fixed for 5 years with annual resets in years 6-30 provides stability for the program participant. Fannie Mae's program may be able to include a similar feature. The Homesteading proposal states that long term mortgage financing will be provided, but details and costs are not defined.

Conclusion

There are two decisions to be made:

First, should the Authority be involved in a lease purchase program? Second, if yes, do any of the programs presented meet the Authority's objectives.

We have attempted to summarize the programmatic aspects of these programs in the accompanying table. It has been difficult to develop this comparison because the proposals differ in specificity and goals.

It is clear to us that the Freddie Mac proposal can be implemented more quickly than the other two proposals. The most significant question with regard to Freddie Mac's plan (after the Authority concludes that a \$25 million issue is reasonable), is whether market conditions are such that all financing and program costs can be covered by bond proceeds and program income.

LEASE PURCHASE PROGRAMS

	Fannie Mae	Freddie Mac	Flick
Initial Borrower	Focus on public entity as eligible borrower—considered stronger	Foundation	Affordable Housing Solutions of Florida, Inc., a 501c3
Collateral	Bond proceeds/properties	Bond proceeds/properties	Bond proceeds/properties. Properties to be substituted over 10 year period.
Additional Collateral	Amount to be determined	None	None
Required insurance during lease period	TBD	Detailed in Freddie Mac proposal—this has been priced	Master policy held by Affordable Housing Solutions
Management during Lease period	Not determined	Foundation to contract with 3 rd party provider for management services	Affordable Housing Solutions to select 3 rd party provider
Counseling	Not determined	Foundation	Affordable Housing Solutions
Eligible persons			Not more than 80% of median
Ratios	41% debt to income	45% debt to income	subject to Affordable Housing Solutions underwriting criteria
Minimum participant contribution	lesser of \$500 or 1% of sale price to be paid by HFA initially; repaid to HFA by participant at time of assumption	1% commitment fee due at time lease is entered into—may be paid by third party	First and last months rent
Income stability		Income must be expected to remain stable for at least 3 years.	
FICO scores	As low as 600 at time of assumption	As low as 580 or compensating factors	No minimum scores
Max LTV	100%	97%	Not stated
Eligible properties	One family, owner occupied, Condos and PUDS ok	One unit single family attached (condos and townhouses) or detached. Manufactured housing in accordance with Freddie Mac guidelines. No mobile homes.	Properties developed by Flick Homes, Inc. Single family (Fannie Mae definition). Scattered site in Designated Infill Areas, Federal Targeted Areas, HOPE VI Areas, Front Porch Areas. 500 lots identified.
Property warranty	Not addressed	American Home Shield (cost approx. \$999 for 39 months)	Not addressed
Mortgage insurance	35% for LTV > 90%	40% for LTV > 90%	Not addressed
Mortgage type	Any Fannie Mae Community Lending product	Freddie Mac ARM 5-2/ 5 year fixed, 2% maximum adjust.; 5% lifetime cap	Various

MEMORANDUM OF AGREEMENT BETWEEN THE MIAMI-DADE COUNTY HOUSING FINANCE AUTHORITY AND

THE MIAMI-DADE AFFORDABLE HOUSING FOUNDATION, INC. (HOME SAVERS TO ANTI-PREDATORY LENDING PROGRAM)

Whereas, Miami-Dade County and the Housing Finance Authority of Miami-Dade County (via resolution and program agreement) have authorized implementation of and funding for the Home Saver's Program; and

Whereas, the program was conceived and developed by the Miami-Dade Affordable Housing Foundation's Board of Directors; and

Whereas, the Miami-Dade County Housing Finance Authority fully supports the work of the Miami-Dade Affordable Housing Foundation, Inc.; and

Whereas, The Miami-Dade Affordable Housing Foundation, Inc. has been duly incorporated and registered as an independent non-profit entity; and

Whereas, the Miami-Dade County Housing Finance Authority has selected the Miami-Dade Affordable Housing Foundation, Inc. as Program Administrator for the Home Saver's Program.

Now therefore be it understood that the Miami-Dade County Housing Finance Authority agrees to grant the Miami-Dade Affordable Housing Foundation, Inc. (the Foundation) the authority to convert the Home Saver's Program funding into an Anti-Predatory Lending Program.

- 1) This newly created program and its guidelines shall be developed by the Foundation and approved by the Housing Finance Authority.
- 2) The purpose of this Anti-Predatory Lending program is to identify potential target markets and conduct community outreach and education programming in addition to services to the victims of predatory lending practices.
- 3) The scope of services shall include but not be limited to mortgage assistance in the form(s) of counseling, loans, refinancing and other applicable financial assistance. Such services may be provided in partnership with lenders, non-profit organizations and governmental agencies.
- 4) The Foundation shall provide the Housing Finance Authority with a biannual report of the activities of this is Anti-Predatory Lending program.
- 5) This agreement will remain in effect until March 31, 2006 unless the date is otherwise modified by representatives designated by the signing entities.

Executive Director	Director
Miami-Dade Affordable Housing Foundation, Inc.	Miami-Dade County Housing Finance Authority

RESOLUTION NO. HFA-03-__

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY (FLORIDA) APPROVING USE OF ONLINE BANKING SERVICES PROVIDED BY FEDERAL HOME LOAN BANK OF ATLANTA; APPROVING FORM OF SERVICE ORDER AND TERMS AND CONDITIONS; AUTHORIZING CERTAIN OFFICERS INCLUDING EXCUTIVE DIRECTOR TO EXECUTE SUCH SERVICE ORDER AND AGREEMENT; AUTHORIZING EXECUTIVE DIRECTOR TO DESIGNATE REMOTE ADMINISTRATORS FROM TIME TO TIME; APPROVING RESPONSIBILITIES OF REMOTE **ADMINISITRATORS** AND **CERTAIN BANK** REQUIREMENTS; AUTHORITIZING OFFICERS TO TAKE ALL ACTION NECESSARY TO EFFECTUATE THE PARTICIPATION IN ONLINE BANKING; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Authority has determined that participation in online banking services offered ("Online Banking Services") by the Federal Home Loan Bank of Atlanta ("Bank" or "FHLBA") is in its best interests; and

WHEREAS, the Authority wishes to approve the Service Order for FHLBA Online Banking Services and the related FHBLA Online Banking Terms and Conditions, as amended and supplemented from time to time, (collectively, "Service Agreement") in substantially the forms attached as Exhibit "A" to this Resolution with such changes as may be approved by the authorized officer executing it on behalf of the Authority after consultation with the Office of the Miami-Dade County Attorney ("County Attorney"); and

WHEREAS, the Authority wishes to authorize the Chairperson, Vice Chairperson and/or the Executive Director (collectively "Authorized Officers") to execute the Service Agreement, including any amendments and supplements, in effect now or in the future, on its behalf after consultation with the County Attorney and together with each Assistant Secretary, to take any other action necessary

including executing and delivering any certificates that may be necessary in connection with the Service Agreement; and

WHEREAS, the Authority desires to authorize the Executive Director to appoint Remote Administrators, as defined in the Service Agreement, ("Remote Administrators") and to certify, from time to time, their names to the Bank; and

WHEREAS, the Authority wishes to set forth certain other terms and conditions, including the responsibilities of the Remote Administrators, related to the Online Banking Services,

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY (FLORIDA):

SECTION 1. The Authority approves participation in the Online Banking Services offered by the Bank.

SECTION 2. The Authority approves the Service Agreement in substantially the form attached as Exhibit "A" and authorizes the Chairperson, Vice Chairperson and/or the Executive to execute and deliver it and any amendments and supplements to it at the same time or in the future, on behalf of the Authority after consultation with the County Attorney.

SECTION 3. The Executive Director is authorized to appoint from time to time, persons to act as Remote Administrators and to certify, from time to time, their names to the Bank.

SECTION 4. Each Remote Administrator is authorized, on behalf of the Authority, to perform all acts and to execute all documents that are contemplated as being performed or executed by it under the Service Agreement or the Bank deems necessary or advisable with respect to the Online Banking Services, including, without limitation, assigning and modifying user identification, passwords and user

privileges, and any person whom the Remote Administrator permits to use the Online Banking Services ("User") is authorized to do so and all actions take by such person are ratified and confirmed.

SECTION 5. The Authority agrees to comply with the following Bank requirements in addition to the Service Agreement:

- The Authority shall be bound by the terms of the Service Agreement attached as Exhibit
 "A" with any amendments and supplements and all other related documents and certificates
 executed and delivered by its Authorized Officers, regardless of the form in which they were
 executed.
- 2. The Authorized Officers, Remote Administrators and Users, are each authorized to give directions, sign any receipts or agreements, make any representations or perform any other acts for, or on behalf of, the Authority incident to the Online Banking Services or deemed necessary or proper by the Bank or any such Authorized Officer, Remote Administrator or User in carrying out the powers granted to each in this Resolution and the Bank may rely on such actions or representations without any need for further inquiry.
- 3. All actions taken by any Authorized Officers, Remote Administrators or User in connection with the Online Banking Services prior to this Resolution are ratified and confirmed.
- 4. In the performance of its duties and exercise of it rights under the Service Agreement, the Bank may rely on any communication believed by the Bank to have been sent or signed (electronically or otherwise) by an Authorized Officer, Remote Administrator or User.
- 5. The Authority shall be responsible for actions of the Authorized Officers, Remote Administrators and Users in connection with any power conferred and such actions shall be deemed the actions of the Authority.

6. The Bank shall be entitled to rely on this Resolution until it receives a certified copy of a

resolution rescinding, amending or replacing this Resolution and no change in the relationship

of the Bank and the Authority will be given effect until the Bank receives the certified copy

of the Resolution and has reasonable time to act on the change and no change will affect the

then existing agreement between the Bank and the Authority, unless the Bank agrees to such

effect, in each instance, in writing. The Authority agrees to hold harmless the Bank from any

loss suffered, or liability incurred by the Bank prior to receipt of such certified copy as a

result of the Bank acting as if such change had not occurred.

SECTION 6. The Authorized Officers and each Assistant Secretary are authorized to take all

other actions and to deliver all other certificates required in connection with the execution of the Service

Agreement by the Authority and its delivery to the Bank.

SECTION 7. Any resolutions or actions of the Authority in conflict with this Resolution shall

be repealed to the extent of such conflict.

SECTION 8. This Resolution shall become effective immediately upon its adoption.

The roll being called on the question of adoption of the Resolution, the vote thereon resulted as

follows:

AYES:

NAYS:

ABSTENTIONS:

4

The Presiding Officer declared said Resolution adopted and approved in open meeting.

ADOPTED this 19th day of May, 2003.

	HOUSING FINANCE AUTHORITY
	OF MIAMI-DADE COUNTY
[SEAL]	
Attest:	By:
	Chairperson
Assistant Secretary	
Approved as to form and legal sufficiency.	
Assistant County Attorney	

THE LEADER MORTGAGE COMPANY 2002 SF MRB Program - HFA of Miami-Dade County

Loan Information Report 5/13/2003

Program End Date 12/1/2003

ORIGINATOR SUMMARY			
	Loans	Total Originated	
Bank Atlantic FSB	5	Amount 377,895	
Banking Mortgage Corporation	25	1,485,214	
· ·	61	6,450,669	
Chase Manhattan Mortgage	15	863,622	
CitiMortgage, Miami	5	339,105	
Countrywide Home Loans	8	758,240	
UAMC	0	700,240	
Total	119	\$10,274,745	
LOAN TYPE TOTALS		•	
	Loans	Total Originated Amount	% of Total
FHA	55	5,979,290	58.19
FMNA Flex 97 ***APPROVAL	1	71,356	.69
FNMA 97%	24	1,492,807	14.53
FNMA CHBP	3	246,335	2.40
FNMA CHBP 3/2	1	87,600	.85
FNMA Conv.	31	2,110,067	20.54
FNMA HFA Home	3	142,290	1.38
VA	1	145,000	1.41
Total	119	\$10,274,745	100.00
NEW/EXISTING TOTALS			
	Loans	Total Originated Amount	% of Total
Existing	113	9,616,831	93.60
New	6	657,914	6.40
Total	119	\$10,274,745	100.00
TARGET/NON-TARGET TOTALS	<u>I </u>		
		Tatal Originated Success	0/ of Total
	Loans	Total Originated Amount	% of Total
Non-Target	95	8,894,965	86.57
Target	24	1,379,780	13.43
Total	119	\$10,274,745	100.00

THE LEADER MORTGAGE COMPANY 2002 SF MRB Program - HFA of Miami-Dade County

Loan Information Report 5/13/2003

Program End Date 12/1/2003

		Loans	Total Originated Amount	% of Total
1 Unit Detached		39	4,049,656	39.41
Condo		73	5,437,468	52.92
Duplex		1	77,686	0.76
Quad		1	178,281	1.74
Townhouse		5	531,654	5.17
Total		119	\$10,274,745	100.00
TYPE OF FUNDS	C - TOTAL S			
TIFE OF TONDS) - IOIALU		***************************************	
***		Loans	Total Originated Amount	% of Total
*Spot-General		118	10,175,529	99.03
Builder		1	99,216	0.97
Total		119	\$10,274,745	100.00
INTEREST RATE	BREAKDOWN			
INTEREST RATE		Loans	Total Originated Amount	% of Total
	Interest Rate Limit	Loans 44	Total Originated Amount 3,999,540	% of Total 38.93
3.75000% 5.50000%			Total Originated Amount 3,999,540 1,747,831	
3.75000%	Interest Rate Limit \$4,000,000	44	3,999,540	38.93

PROGRAM PIPELINE	Loans	Total Originated Amount	% of Total	Pool / Trustee Amount
Reservation	23	2,269,460	22.09	
UW Certification	21	1,451,642	14.13	
Exceptions	1	112,520	1.10	
Compliance Purchase Approved	12	1,203,500	11.71	
Purchased	5	443,392	4.32	
Pooled	6	292,944	2.85	292,557.49
Sold to Trustee	51	4,501,287	43.81	4,493,529.57
Total	119	\$10,274,745	100.00	

RACE & ETHNICITY	Loans	Total Originated Amount	% of Total
Asian	1	118,247	1.15
Black & Hispanic	3	271,181	2.64
Black/African American	27	2,592,805	25.23
Other Multi-racial	6	386,051	3.76
White	. 8	661,953	6.44
White & Hispanic	74	6,244,508	60.78
Total	119	\$10,274,745	100.00

THE LEADER MORTGAGE COMPANY 2002 SF MRB Program - HFA of Miami-Dade County

Loan Information Report 5/13/2003

Program End Date 12/1/2003

2 119	168,334 \$10,274,745	1.64 100.00
1	46,410	0.45
2	208,550	2.03
93	7,889,968	76.79
4 .	366,544	3.57
1	50,850	0.49
16	1,544,089	15.03
Loans	Total Originated Amount	% of Total
119	\$10,274,745	100.00
119	10,274,745	100.00
Loans	Total Originated Amount	% of Total
100%	Employed in Household	1.2
47.44%		2.5
	Damassan Ara	37.7
\$10,274,745	Compliance Income	\$28,585
\$11,385,255	Purchase Price	\$105,012
\$21,660,000.00	Loan Amount	\$86,342
	Averages:	
	\$11,385,255 \$10,274,745 119 47.44% 100% Loans 119 Loans 16 1 4 93 2	\$21,660,000.00 \$11,385,255 Purchase Price \$10,274,745 Compliance Income 119 47.44% Borrower Age Household Size Employed in Household Loans Total Originated Amount 119 \$10,274,745 Loans Total Originated Amount 16 1,544,089 1 50,850 4 366,544 93 7,889,968 2 208,550

MIAMI-DADE COUNTY, FLORIDA



HOUSING FINANCE AUTHORITY

25 WEST FLAGLER STREET SUITE 950 MIAMI, FLORIDA 33130-1720 (305) 372-7990 FAX (305) 371-9152 hfa@miamidade.gov

CONTACT: Amelia Stringer 305-372-7990 Office

FOR IMMEDIATE RELEASE: May 1, 2003

PRESS RELEASE

HOUSING FINANCE AUTHORITY OF MIAMI-DADE COUNTY AND THE MIAMI-DADE AFFORDABLE HOUSING FOUNDATION, INC., CONDUCTS THREE CLOSINGS FOR HOMES IN THE HOPE VI PROJECT AREA

Three HOPE VI residents will close on their first home on Thursday, May 01, 2003 at 2:00 p.m at the offices of the Housing Finance Authority of Miami-Dade County (HFA). Octavia Muldrow, Carol Young, and Palmela Moss are the first Scott/Carver Homes residents to purchase one of the 150 homes built as part of Commissioner Dorrin P. Rolle's special homeownership program for HOPE VI residents.

Commissioner Rolle stated: "This makes 3 down and 147 to go! It's been a long time coming and we are all very excited and happy for these new homeowners and are looking forward to more of the same!"

The Lender for Carol Young is Citibank, Bankers Title is Ms. Young's Closing Agent. Bank Atlantic is the Lender for Octavia Muldrow, and Palmela Moss, Surealty is their Closing Agent.

The homeownership partners that made this dream-come- true include the HFA, the Miami-Dade Affordable Housing Foundation, Inc., Miami-Dade Housing Agency, Metro-Miami Action Plan, and the Developers; Fortex Construction for Ms. Muldrow, and Citywide Development for Ms. Moss, and Ms. Young.

The real credit goes to the homebuyers. They have attended homebuyer counseling classes for over two years, repaired their credit and saved money in Individual Development Accounts (IDA) towards the down payment and closing costs requirements. IDAs are special restricted matching savings accounts.

Ms. Pat Braynon, Director, Housing Finance Authority of Miami-Dade County, says: "It is always exciting to be a part of a new beginning for new homeowners. We are so happy for these three new homeowners to close on the same day on homes in the same neighborhood! We are working diligently to increase these numbers to the point where 150 new residents and their families, will be new homeowners, as well."

http://www.miamidade.gov/hfa

HOPE VI Homebuyers



Mr. Armando Perez Aleman from Citywide Assoc. hands jubilant new homebuyer, Ms. Carol Young (previously of Scott/Carver Homes), her keys to her HOPE VI new home. The Lender for Ms. Young is Citibank and Bankers Title is the Closing Agent.



Citywide Assoc. Mr. Armando Perez Aleman gives a very exited Ms. Palmela Moss the keys to her HOPE VI brand new home. Ms. Moss is an ex-Scott Carver Homes resident. Bank Atlantic is Palmela's Lender and Surealty is their Closing Agent.



Mr. Jose Perez de Corcho, from Fortex Builders, hands a very happy Ms. Octavia Muldrow, the keys to her brand new three bedrooms, 2 bath HOPE VI home! Octavia is a former tenant of Scott/Carver Homes and Bank Atlantic is the Lender for Ms. Muldrow's new home.



Ms. Opal A. Jones, (first left) Executive Director, for Miami-Dade Affordable Housing Foundation, Inc., gives the three new homebuyers in the HOPE VI development a toolbox as a gift for their new homes. New homebuyers are: (from second left) Ms. Carol Young, Ms. Palmela Moss and Ms. Octavia Muldrow.

MEMORANDUM

TO: HFA Board Members DATE: May 9, 2003

And Supporting Staff

FROM: Patricia A. Braynon SUBJECT: HFA's Bus Tour

Director

Housing Finance Authority

This is just a quick note to let everyone know that the bus tour date has been finalized to Thursday, May 29. the bus will leave from HFA's office: 25 West Flagler Street, at 9:30 a.m.

We will be taking a tour of some of HFA's developments from the north end of Miami-Dade County, to the south end of the County.

If you are unable to begin the tour with us at the HFA office and you wish to join us along the way, you may contact me on my cell phone at 305-815-2547.

Development: Address:
Miami Stadium 2625 NW 10 Avenue
Cedar Grove 20601 NW 17 Avenue
Baywinds 11900 NE 16 Avenue
Running Brook 20505 SW 122 Avenue
Hidden Grove 13815 SW 271 Terrace
Monterey Point 1400 East Mowry Drive

If you have ay questions, please contact Mary Aguiar or myself at 305-372-7990.

We are looking forward to see you all on that day!

Thank you.